

STATEMENT OF REP. JOHN CONYERS, JR.
Courts, the Internet, and Intellectual Property Subcommittee
Hearing on "International Copyright Piracy: A Growing Problem with
Links to Organized Crime and Terrorism"
9 AM, Thursday, March 13, 2003

The piracy of copyrighted content is an overwhelming problem. While the content industries have created this country's number one export and have produced five percent of this country's Gross Domestic Product, we are being robbed of that economic value through the theft of movies, music, books, and software both here and abroad.

That is why we are at a crossroads in Congress and the executive branch. If we choose to strengthen enforcement of intellectual property rights, we can recapture that lost value. If we ignore the problem, we basically will encourage more piracy and the spread of organized crime.

Many criminal and terrorist enterprises make and sell pirated content as a way to make fast money. The International Intellectual Property Alliance, a coalition of copyright industry trade associations, has estimated piracy losses that are staggering for overseas piracy alone. In 2002, the movie industry lost approximately \$1.3 billion, the music industry lost \$2 billion, software companies lost \$3.5 billion, and video game manufacturers lost \$1.7 billion. If we are going to be serious about fighting criminal and terrorist enterprises, we must investigate and prosecute piracy.

And it is important to remember that piracy is not about lending a CD or DVD to a friend or using clips for a school project. It is about the theft of income from the very creators of that content: the screenwriter, the director, the actors, the engineers, the songwriter, the artist, the graphic designer, the writer, and so on.

I believe there are two related issues to address. One is whether governments abroad have the necessary laws to stop piracy in their home countries. The fact that we are having this hearing indicates that the

Administration must do more to press for better intellectual property rights enforcement overseas.

The second is whether our own law enforcement agencies have the necessary authorities. With piracy increasing at a rapid rate, it seems clear that the FBI, the lead agency on these investigations, does not have the resources to conduct intellectual property enforcement. In fact, the FBI's own website notes that "domestic enforcement of IP laws has been inadequate and consequently the level of deterrence has been inadequate." It goes without saying that we must either give the FBI additional powers or give the authority to another agency that is better suited to the task.